(9)

No. 92-114

FILED
DEC 17 1992
OFFICE OF THE CLERK

In The

Supreme Court of the United States

October Term, 1992

CARDINAL CHEMICAL COMPANY, a partnership, W.M. QUATTLEBAUM, JR., DOROTHY QUATTLEBAUM, and W.M. QUATTLEBAUM, III, individuals, CARDINAL MANUFACTURING CO., and CARDINAL STABILIZERS, INC.,

Petitioners,

v.

MORTON INTERNATIONAL, INC.,

Respondent.

On Writ Of Certiorari To The United States Court Of Appeals For The Federal Circuit

RESPONDENT'S BRIEF ON THE MERITS

GORDON R. COONS
Counsel of Record
JOHN E. ROSENQUIST
JEFFREY S. WARD
LEYDIG, VOIT & MAYER
Two Prudential Plaza, Suite 4900
Chicago, Illinois 60601
(312) 616-5600

Attorneys for Respondent

Of Counsel:

GERALD K. WHITE
MORTON INTERNATIONAL, INC.
100 North Riverside Plaza
Chicago, Illinois 60606
(312) 807-2186

BEST AVAILABLE COPY

COCKLE LAW BRIEF PRINTING CO., (800) 225-6964
OR CALL COLLECT (402) 342-2831

QUESTION PRESENTED

Whether the Court of Appeals for the Federal Circuit errs when it vacates a declaratory judgment holding an asserted patent invalid merely because it determines that the patent is not infringed?

PARTIES TO THE PROCEEDING

All parties to the proceeding below are set forth in the caption to the case. Pursuant to Rule 29.1 of the Rules of this Court, respondent states that it does not have any non-wholly owned subsidiaries, nor does it have any parent corporations.

TABLE OF CONTENTS

TABLE OF CONTENTS – Continued

TABLE OF AUTHORITIES

TABLE OF AUTHORITIES – Continued

No. 92-114

In The

Supreme Court of the United States

October Term, 1992

CARDINAL CHEMICAL COMPANY, a partnership, W.M. QUATTLEBAUM, JR., DOROTHY QUATTLEBAUM, and W.M. QUATTLEBAUM, III, individuals, CARDINAL MANUFACTURING CO., and CARDINAL STABILIZERS, INC.,

Petitioners,

v.

MORTON INTERNATIONAL, INC.,

Respondent.

On Writ Of Certiorari To The United States Court Of Appeals For The Federal Circuit

RESPONDENT'S BRIEF ON THE MERITS

STATUTORY PROVISIONS INVOLVED

Respondent believes that in addition to 28 U.S.C. § 2201 (the Declaratory Judgment Act), 35 U.S.C. § 282 of the Patent Act is also involved in this proceeding. This section provides in pertinent part:

> A patent shall be presumed valid. Each claim of a patent (whether in independent, dependent, or multiple dependent form) shall be presumed valid independently of the validity of other claims; dependent or multiple dependent claims

shall be presumed valid even though dependent upon an invalid claim. The burden of establishing invalidity of a patent or any claim thereof shall rest on the party asserting such invalidity.

STATEMENT OF THE CASE

In April, 1983, Morton International, Inc. (hereinafter "Morton") first embarked on the long and tortuous road which eventually has led to this Court when it sued Cardinal Chemical Corporation et al. (hereinafter "Cardinal") for infringement of United States Letters Patent Nos. 4,062,881 and 4,120,845 (hereinafter "the Morton patents"). While this case was pending, Morton sued Argus Chemical Corporation (hereinafter "Argus") for infringement of these same two patents. Then, during the pendency of both the *Cardinal* and *Argus* cases, but before either of those cases had gone to trial, Morton sued Atochem North America, Inc. (hereinafter "Atochem") for infringement of the Morton patents.

The *Argus* case was tried first. There, the district court held that the Morton patents were invalid under 35 U.S.C. § 112 for failure to satisfy the "enablement" and "definiteness" requirements of that statutory section,[1] and that Argus did not infringe. *Morton Thiokol, Inc. v.*

[1] 35 U.S.C. § 112 provides, in part, that a patent

> . . . shall contain a written description of the invention, and of the manner and process of making and using it, in such . . . terms as to enable any person skilled in the art to which it pertains . . . to make and use the same . . . **[enablement]**, and
>
> . . . shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention. **[definiteness]**

Witco Chemical Corp. and Argus Chem. Corp., No. 88-5685 (E.D. La. 1988); Joint Appendix ("J.A.") at 9-37. Morton appealed both the invalidity holding and the finding of noninfringement. The United States Court of Appeals for the Federal Circuit ("Federal Circuit") affirmed the finding of noninfringement, but then vacated the invalidity holding as "moot" pursuant to the "policy" first introduced by the Federal Circuit in *Vieau v. Japax, Inc.*, 823 F.2d 1510, 1517 (Fed. Cir. 1987). *Morton Thiokol Inc. v. Argus Chemical Corp.*, 11 U.S.P.Q.2d 1152 (Fed. Cir. 1989) (unpublished); J.A. at 38-43.

Since the Federal Circuit vacated the holding by the *Argus* district court that the Morton patents were invalid, the statutory presumption of validity mandated by 35 U.S.C. § 282 should have been restored to the Morton patents for the then-pending *Cardinal* and *Atochem* cases. In fact, just the opposite has occurred. Morton's patents have been given a "presumption of invalidity."

Cardinal was the first to embrace the idea that the Morton patents were "presumptively invalid" based upon the vacated district court invalidity holding in *Argus*. After the stay in the district court was lifted in the present case,[2] Cardinal filed a summary judgment motion

[2] By agreement of Morton and Cardinal, the present case was stayed in the district court pending the outcome of the *Argus* appeal as well as that of reexaminations in the United States Patent and Trademark Office of the Morton patents filed

of invalidity of the Morton patents based upon what Cardinal termed the "collateral effect" of the Federal Circuit's decision in the *Argus* appeal under the collateral estoppel principles announced in this Court's decision in *Blonder-Tongue Laboratories, Inc. v. University of Illinois Found.*, 402 U.S. 313 (1971). In support of that motion, Cardinal argued it was "unthinkable that the Federal Circuit expected after rendering the *Argus* decision, that any defendant would be faced with the same patents again." Additionally, Cardinal argued that it was not asking the district court to go out on a limb in granting a summary judgment of invalidity because the "[Federal Circuit] did not disagree with the [*Argus*] District Court's findings on invalidity, but merely vacated that portion of the decision because of its stated policy of not reaching the validity issue when noninfringement is found."

Although the district court below denied Cardinal's summary judgment motion, the district court admonished Morton's counsel that "we're not going to retry Argus." J.A. at 56. Further, it also warned Morton's counsel that a verdict would be directed against their client "right then and there" if that was being done. J.A. at 56.

The case was then tried. Not surprisingly given its earlier admonitions, the district court below held the Morton patents invalid for the same reasons as did the *Argus* district court, and further held that Cardinal did not infringe. Appendix C to the Petition for *Writ Of Certiorari* ("Pet. App.") at 32a-70a.

---

by Cardinal and Atochem just before the decision by the *Argus* district court. The result of such reexaminations confirmed the patentability of the Morton patents.

Again Morton appealed to the Federal Circuit. And again, just as it had done in the *Argus* appeal, the Federal Circuit, after affirming on noninfringement, followed its *Vieau* policy and vacated the invalidity holding as moot – once again denying Morton any substantive review on the invalidity issue, but technically reviving the Morton patents for the pending lawsuit against Atochem. Pet. App. A at 1a-10a. In his concurring opinion, Circuit Judge Lourie stated that "the presumption of validity [of the Morton patents] has been shaken, but not destroyed." Pet. App. A at 13a.

Commentators likewise view the Morton patents as presumptively invalid. *See, e.g.*, J. Re and W. Rooklidge, *Vacating Patent Invalidity Judgments Upon an Appellate Determination of Noninfringement*, 72 J. Pat. and Trademark Off. Society 780 (1990) (the assumption throughout is that the Federal Circuit's vacation of a patent held invalid by a district court allows an invalid patent to be "resurrected"); *see also* H. Wegner, *Morton, The Dual Loser Patentee: Frustrating Blonder-Tongue*, 74 J. Pat. and Trademark Office Society 344 (1992).

The Federal Circuit followed its *Vieau* policy despite specific requests by Morton and Cardinal to consider the merits of the invalidity holdings. Morton has never been afforded an opportunity to have what it considers fundamental flaws in the *Argus* district court's holding of invalidity (that were perpetuated by the *Cardinal* district court) substantively reviewed on appeal.

SUMMARY OF ARGUMENT

The Court of Appeals for the Federal Circuit errs, as it did in this case, and as it has done in dozens of other cases, when, following the *Vieau* policy, it routinely vacates a district court judgment holding a patent invalid after a finding of noninfringement has been affirmed. This Court's decision in *Electrical Fittings Corp. v. Thomas & Betts Co.*, 307 U.S. 241 (1939) does not support this policy. That case involved a defendant appealing a district court's holding that the patent in suit was valid. It does not apply, therefore, to the facts of this case where the *patent owner* is appealing an invalidity holding.

Indeed, the cumulative effect of the precedents of this Court require consideration on the merits when the patent owner appeals an invalidity holding. No matter how the decisions in *Electrical Fittings* and *Altvater v. Freeman*, 319 U.S. 359 (1943) may be construed, those constructions must be reconciled with this Court's decision in *Blonder-Tongue*, which underscores the public policy interest in providing certainty when issues of patent invalidity are involved.

Further, the Federal Circuit's practice of routinely following the *Vieau* policy results in a "no win" situation for all concerned. The vacation of an invalidity holding leaves the defendant in a worse situation than was the case before *Blonder-Tongue*. Because there can be no *res judicata* effects on the invalidity issue, that defendant could still face, in the future, infringement charges for new products on patent claims previously held invalid by the district court.

The patent owner also loses due to the vacation. The Federal Circuit's *Vieau* policy results in a *de facto* presumption of invalidity that is inconsistent with the presumption of validity mandated by 35 U.S.C. § 282.

The Federal Circuit's routine, procedural vacation of invalidity holdings once noninfringement is found also undermines the patent system. This policy creates uncertainty as to whether the invalidity holding was indeed correct and, as a result, harms the public, the patent owner, and the infringement defendant.

Lastly, the net effect of the *Vieau* policy is to inappropriately make the district court, when it holds a patent invalid, the court of first and last resort for a patent owner. No substantive review is accorded by the Federal Circuit when the *Vieau* policy is followed, and the patent owner's resort to this Court on the invalidity issue is precluded since the patent owner technically becomes the "winning party" on that issue and, as such, has no standing to appeal per *Electrical Fittings*.

A patent is a valuable property right and, as this Court has long recognized, substantial public interest is involved in the question of the validity (or invalidity) of patents.[3] It therefore follows that where a patent owner appeals an invalidity holding by a district court, the Federal Circuit should substantively review that holding regardless of whether a noninfringement finding is

---

[3] See, for example, this Court's statements in *Blonder-Tongue*, 402 U.S. at 343 and *Precision Instrument Mfg. Co. v. Automotive Maintenance Machinery Co.*, 324 U.S. 806, 815-816 (1945).

affirmed, and regardless of whether the invalidity holding was obtained as a declaratory judgment or as an affirmative defense.

ARGUMENT

I. THIS COURT'S DECISIONS IN *ELECTRICAL FITTINGS* AND *ALTVATER* DO NOT SUPPORT THE FEDERAL CIRCUIT'S *VIEAU* POLICY WHEN, AS HERE, THE PATENTEE APPEALS AN INVALIDITY HOLDING

As Cardinal has pointed out, the Federal Circuit bases its *Vieau* policy of routinely vacating judgments of patent invalidity or validity upon this Court's decisions in *Electrical Fittings* and *Altvater*. Specifically, the Federal Circuit, in a line of its decisions beginning in 1987 with *Vieau* and *Fonar Corp. v. Johnson & Johnson*, 821 F.2d 627 (Fed. Cir. 1987), *cert. denied*, 484 U.S. 1027 (1988),[4] has held that the issue of patent validity becomes "moot" when it affirms a district court's finding that the patent in issue is not infringed. Accordingly, when the Federal Circuit affirms on noninfringement, it vacates the district court's holding with respect to the issue of whether the patent in suit is invalid or not invalid.

And, as far as its argument goes, Morton believes Cardinal has fully and persuasively demonstrated that

[4] Prior to its decisions in *Vieau* and *Fonar*, the Federal Circuit had (as had the territorial courts of appeal before it) routinely substantively considered validity or invalidity holdings by district courts even when it had already affirmed the district court's noninfringement finding.

the Federal Circuit has misread this Court's precedent upon which the Federal Circuit relies when it routinely vacates, as being "moot," a district court finding as to invalidity when (as here) a declaratory judgment is involved, simply because it agrees with the district court that the patent is not infringed.[5] For this reason, Morton will not plow the same ground.

However, regardless of whether Cardinal is correct in its analysis, no precedent of this Court supports the practice of the Federal Circuit, even when a noninfringement holding is affirmed, to vacate an invalidity holding when (as here) it is the *patent owner* appealing that invalidity holding.

Electrical Fittings involved an appeal of a validity holding by an accused infringer, even though the patent was found not infringed by the district court. This Court, in refusing to substantively review the validity holding, stated:

> A party may not appeal from a judgment or decree in his favor, for the purpose of obtaining a review of findings he deems erroneous which are not necessary to support the decree. But here the decree itself purports to adjudge the validity of claim 1, and though the adjudication was immaterial to the disposition of the cause, it stands as an adjudication of one of the issues litigated. We think the petitioners were entitled to have this portion of the decree eliminated,

[5] Cardinal's view is shared by the Federal Circuit's Chief Judge Nies in her eloquent dissent to the Federal Circuit's refusal to review this issue *en banc* in the appeal below. Pet. App. B at 16a-31a.

> and that the Circuit Court of Appeals had jurisdiction, as we have held this court has, to entertain the appeal, not for the purpose of passing on the merits, but to direct the reformation of the decree.

307 U.S. at 242.

Where the *unsuccessful* party (i.e., the patent owner whose patent has been held invalid) has, as has Morton here, appealed the invalidity holding of the district court, the *Electrical Fittings* scenario does not occur and is not applicable.

In *Altvater,* a litigation described by Justice Frankfurter in his dissent as being "wrapt in confusion," this Court held that, in the circumstances of that case, the appellate court's affirmance of noninfringement did not moot the accused infringer's declaratory judgment counterclaim, and required the appellate court to substantively review the district court's invalidity holding. That decision was based on a review of the rights of a declaratory judgment plaintiff to appellate review on the issue of patent validity. This Court did not focus on the rights of the patent owner who was appealing the invalidity holding, which is the situation presented in this case. At most, *Altvater* requires an analysis on a case-by-case basis to determine whether a "case or controversy" still exists – not the *per se Vieau* policy, a "one-size-fits-all" approach.

However, *Altvater,* as well as *Electrical Fittings,* must be reconciled with the public policy considerations expressed in this Court's decision in *Blonder-Tongue.*

II. THE FEDERAL CIRCUIT'S *VIEAU* POLICY IGNORES THE CUMULATIVE PRECEDENT OF THIS COURT AND THE PARTIES AND THE PUBLIC ALL LOSE

Prior to *Blonder-Tongue,* a patentee having one or more of its patent claims held invalid in a lawsuit against one defendant was not precluded from suing another defendant on those very same claims. *See Triplett v. Lowell,* 297 U.S. 638 (1936). Therefore, when both *Electrical Fittings* and *Altvater* were decided, a holding of validity or invalidity was binding only to the parties litigating the issue. A different party being sued for infringement of a patent previously found invalid who wanted to rely on the prior decision had resort only to considerations of comity.

After *Blonder-Tongue,* the effect of an invalidity holding by a district court was greatly expanded. Under this Court's holding in *Blonder-Tongue,* unless a party whose patent was held invalid by a district court could meet certain limited exceptions, he was collaterally estopped from suing other parties on that patent. A holding of invalidity thus took on great significance to the patent owner and the general public. The alleged infringer who won a holding of invalidity was not affected by *Blonder-Tongue,* because even under *Triplett,* he could not be sued again on claims held invalid, due to principles of *res judicata.*

Therefore, subsequent to *Blonder-Tongue,* a district court's holding of invalidity became important not only to the parties, but also to the general public. The Federal Circuit, when it applies its *Vieau* policy and refuses to

examine the correctness (or incorrectness) of an invalidity holding, disserves the interests of all concerned. The failure to review an invalidity holding on the merits creates uncertainty, and the parties and the public all are disserved.

A. EVEN THOUGH CARDINAL "WON" ON THE INFRINGEMENT ISSUE, OVERALL CARDINAL STILL "LOSES"

Cardinal, the defendant who "won" the invalidity holding in the district court, loses because the Federal Circuit's vacation of that holding removes any application of *res judicata* on the validity issue. Therefore, if Cardinal were to introduce a different product in the marketplace, it could be sued for infringement of the same claims previously held invalid by the district court below (a result that could not even occur under *Triplett*). In effect, Cardinal has been penalized by the mere fact that Morton appealed the invalidity holding of the district court below.

B. MORTON, AS THE PATENT OWNER, LOSES – EVEN THOUGH IT TECHNICALLY "WINS" UPON VACATION OF THE INVALIDITY HOLDING

Under the Federal Circuit's *Vieau* policy, the patent owner is also harmed, as Morton has been here. Although the vacation, in theory, should restore the presumption of validity of the patent at issue, this is not what happens in the real world. If the patent owner asserts its patent in a

subsequent lawsuit, that patent is treated as presumptively invalid, even though the patent owner's only avenue for review of that holding has been eliminated. What has happened to Morton here underscores the injustice that follows any patent owner when its opportunity for vindication is eliminated by the Federal Circuit's use of the *Vieau* policy.

Although the Federal Circuit, by vacating the invalidity holding in the district court below, *procedurally* snatched the Morton patents from the jaws of invalidity and the application of *Blonder-Tongue, in reality* it placed the Morton patents in a "twilight zone." On the one hand, the Morton patents are theoretically not invalid (after all, the Federal Circuit did vacate the district court's invalidity holding). But yet, on the other hand, the patents are not viewed as being "really valid" by anyone other than the patent owner. Instead, the Morton patents are viewed as presumptively invalid, once-dead patents, which have been "resurrected" by a mere technicality. *See, e.g.*, J. Re and W. Rooklidge, *Vacating Patent Invalidity Judgments Upon an Appellate Determination of Noninfringement*, 72 J. Pat. and Trademark Off. Society 780 (1990); H. Wegner, *Morton, The Dual Loser Patentee: Frustrating Blonder-Tongue*, 74 J. Pat. and Trademark Office Society 344 (1992). Accordingly, if Morton should subsequently litigate the Morton patents, those patents will not be accorded the full and complete presumption of validity mandated by 35 U.S.C. § 282.

The Federal Circuit's procedural vacation of the invalidity holdings in the *Argus* and *Cardinal* cases has placed a stigma of invalidity on the Morton patents which never can be removed. This stigma was recognized

and underscored by Circuit Judge Lourie in his concurring opinion to the decision in the appeal below, when he stated that the "presumption of validity [of the Morton patents] has been shaken, but not destroyed." Pet. App. A at 13a.

Certainly, when it enacted § 282, Congress never contemplated, much less intended, that a patent should be accorded anything less than a full and complete presumption of validity or that the burden of proving a patent's validity in the first instance should ever be placed upon its owners. Even when the *Triplett* rule was in place, this Court recognized that a patent previously held invalid by one district court still retained the presumption of validity in a subsequent lawsuit. *Blonder-Tongue*, 402 U.S. at 338.[6]

Further, this stigma, or "presumption of invalidity," is not justified. Prior to its adoption of the *Vieau* policy, when the Federal Circuit reviewed invalidity determinations without regard to its decision on infringement, district court holdings of invalidity were *reversed* almost as often as they were affirmed. R. Cooley, *What The Federal Circuit Has Done And How Often: Statistical Study of the CAFC Patent Decisions – 1982 to 1988*, 71 J. Pat. and Trademark Off. Society 385 (1989).

[6] When § 282 was enacted, the *Triplett* rule was being followed. Therefore, Congress also was of the view that a full presumption of validity should attach even to a patent previously found invalid.

C. THE PUBLIC LOSES DUE TO THE UNCERTAINTY SURROUNDING THE VALIDITY OF THE MORTON PATENTS

The Federal Circuit's *Vieau* policy creates uncertainty as to whether a patent held invalid by a district court is truly invalid, or whether the district court erred in that decision. This uncertainty injures the public and undermines the integrity of the patent system. If the district court decision would have been upheld on appeal, the public is harmed because an invalid patent has been allowed to exert continued influence on the marketplace. *See Blonder-Tongue*, 402 U.S. at 338-343. On the other hand, if the district court's holding of invalidity was wrong and would have been reversed on appeal, the public is still harmed. There is a public interest in having "good" patents affirmatively upheld by the courts. *Technograph Printed Circuits, Ltd. v. United States*, 372 F.2d 969, 978 (Ct. Cl. 1967).

This uncertainty undermines the patent system. If patent owners cannot have district courts' invalidity holdings substantively reviewed, there is less of an incentive to disclose new inventions to the public, because the *quid pro quo* for that disclosure has been lessened. Further, the *Vieau* policy encourages forum shopping by effectively making district courts the courts of first and last resort on the issue of patent validity.[7] *See* Section III, *infra*.

[7] In fact, elimination of forum shopping in patent litigation was one rationale for the creation of the Federal Circuit. H.R. REP. NO. 312, 97th Cong., 1st Sess. (1981) at 20-23.

Public policy dictates that patents held invalid by a district court should be subject to appellate review on the merits when the patent owner appeals that holding.

III. THE FEDERAL CIRCUIT'S *VIEAU* POLICY IMPROPERLY MAKES THE DISTRICT COURT THE COURT OF FIRST AND LAST RESORT AS TO PATENT INVALIDITY

By refusing to substantively review invalidity holdings by a district court, the Federal Circuit has ceased to act as a safeguard against an improvident judgment of invalidity. Prior to *Blonder-Tongue*, district courts were the primary safeguard. In fact, this was one rationale used in support of the holding in *Triplett* allowing a patent owner to institute suits on a patent previously held invalid by a district court. *Blonder-Tongue*, 402 U.S. at 330-31. In *Blonder-Tongue*, this Court envisioned the courts of appeals as the primary safeguard against wrongly decided invalidity holdings, adopting with approval a statement by the President's Commission on the Patent System that "a patentee, having been afforded the opportunity to exhaust his remedy of appeal from a holding of invalidity, has had his 'day in court' and should not be able to harass others on the basis of an invalid claim." *Blonder-Tongue*, 402 U.S. at 340.

Here, Morton has not been afforded the opportunity to exhaust its remedy of appeal because the validity issue has never been substantively reviewed by the Federal Circuit in either the present case or the *Argus* case. As a result, Morton has been left with two patents effectively stripped of any power in the marketplace.

If Morton were to proceed against another infringer, the district court, in all likelihood would accept the twice-vacated invalidity holdings, just as the district court below adopted wholesale the *Argus* district court's invalidity holdings, without any independent evaluation as to whether those holdings were correct. Further, any future accused infringer would, in all likelihood, argue for an award of attorney's fees, as Cardinal has done here, on the ground that Morton should have known better than to sue on an "invalid patent" even though, from Morton's perspective, the district courts' holdings of invalidity in the present case and the *Argus* case are fundamentally flawed.

The value of Morton's patents is therefore essentially zero – effectively not enforceable and viewed with a jaundiced eye by competitors and district courts alike. It has lost valuable property rights. The Federal Circuit, in not exercising its "safeguard" function and refusing to substantively review what Morton submits to be two wrongly-decided invalidity holdings, has taken valuable property rights from Morton without due process of law.

Further, by vacating the district court's holding of invalidity, the Federal Circuit has deprived Morton of an opportunity to have this Court review the invalidity determination of its two patents by means of petition for *writ of certiorari*. When the Federal Circuit vacated the district court's invalidity determination of the Morton patents (after affirming the noninfringement finding), Morton technically became the successful party on the validity issue. And, as such, under this Court's holding in *Electrical Fittings*, Morton could not request a review of that issue by this Court.

Morton has twice been deprived of an opportunity to seek substantive appellate review of what it believes to be erroneous holdings of invalidity of its two patents. As a result, the Morton patents have been relegated to the "twilight zone" discussed above.

The *Vieau* policy thus effectively – and erroneously – makes the district court the court of first and last resort when a patent is found to be invalid. This is a particularly undesirable result since, prior to the *Vieau* policy, district court holdings of invalidity were reversed by the Federal Circuit almost as often as they were affirmed. R. Cooley, *What The Federal Circuit Has Done And How Often: Statistical Study of the CAFC Patent Decisions – 1982 to 1988*, 71 J. Pat. and Trademark Off. Society 385 (1989).

The only way Morton can obtain a further "review" of the Morton patents would be to relitigate those patents against another defendant, such as Atochem. Given the previous litigation history of the Morton patents, Morton doubts that such a review would be a meaningful one. Further, this course of action is not only wasteful of Morton's and Atochem's resources, but also those of the judicial system.

Morton respectfully suggests that the Federal Circuit's *Vieau* policy should be ended. Where a patentee appeals a district court's invalidity holding, that holding should be substantively reviewed in all instances.

CONCLUSION

In conclusion, for the reasons set forth herein, Morton respectfully requests that this Court reverse the decision of the Federal Circuit vacating the judgment of invalidity of its two patents and remand the case with instructions that the Federal Circuit reach the validity issue, and specifically consider whether Morton was denied the presumption of validity mandated for the Morton patents under § 282.

Respectfully submitted,

/s/ Gordon R. Coons
GORDON R. COONS
Counsel of Record
JOHN E. ROSENQUIST
JEFFREY S. WARD
LEYDIG, VOIT & MAYER
Two Prudential Plaza,
Suite 4900
Chicago, Illinois 60601
(312) 616-5600

Attorneys for Respondent

Of Counsel:

GERALD K. WHITE
MORTON INTERNATIONAL, INC.
100 North Riverside Plaza
Chicago, Illinois 60606
(312) 807-2186